



Grants Management Policy



Policy Name	Funding Application, Expenditure Report and Completion Report Parity		
Date Approved	2018	Approved By	Sarah Hendrix Deputy Associate Superintendent, Grants Management
Date Updated	8/3/21		

Audience

This policy pertains to **Local Education Agencies (LEAs)**.

Purpose

The purpose of this policy is to provide clarity on the relationship between the funding application budget and narrative, expenditure report and completion report which are reviewed by the Grants Management.

Overview

The funding application budget and narrative, expenditure report and completion report are inter-related and together provide a foundation for ensuring budgeted funds are spent in accordance with how they were allocated.

Terms

Funding Application Budget and Narrative: An estimate of costs, revenues, and resources over a specified period and reflecting specific details for object codes.

Expenditure Report: An accounting of actual expenditures over a specific time frame.

Completion Report: A requirement of Arizona Department of Education provided to LEAs through accounting software and contains final expenditure amounts. The completion report is completed at the end of each grant project in the funding application and noted in the Grants Management Enterprise (GME) system.

Policy

The funding application budget and narrative, expenditure report and completion report together provide the information needed for Grants Management fiscal monitoring to accurately determine if actual expenditures incurred by the LEA correspond to the completion report and funding application. The cycle includes:



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1. The LEA submits the funding application budget and narrative through GME for Program Area approval. Revisions are made throughout the project lifecycle when the scope and/or budget changes; updates are subject to approval.
2. The LEA submits the completion report in GME, within 90 days of the project end date.
3. Grants Management Fiscal Monitoring Lead Auditor notified the LEA in writing that an audit is beginning and request the expenditure report. The LEA has five (5) business days to submit the required documentation.
 - a. The completion report expenditures must reflect the LEA expenditure report data. Parity between the completion report and the expenditure report allow the completion report to be processed. A review of the funding application budget and narrative is used to ensure approval prior to the completion report.
 - b. The approved funding application budget must correspond to the approved completion report. Variations that do not change the scope of the project are allowed. Variations that change the scope outlined in 2 CFR 200.308(b) require a revision to the funding application. Prior written approval is specifically required for allowability under certain circumstances, as outlined in 2 CFR 200.407. LEAs can exceed ten percent (10%) or \$1,000 of the budgeted line item, but can never exceed the total allocation. If the deviation is higher than 10%/\$1,000, GME will require a budget revision. Charters may be exempt from the USFRCS but must provide documentation or a crosswalk for accounting codes.
 - c. The completion report and the expenditure documentation must be an exact match.

Discrepancies between the final expenditure report and the completion report may result in findings with questioned or disallowed costs. If the fiscal monitoring results in findings with disallowed costs, the LEA need provide a completion report revision. However, discrepancies between the funding application budget and the expenditure report will not always result in a finding. Some variations are allowed when the variation does not change the scope of work or requires a Budget Revision.